

PROJECT MANUAL
FOR
CITY OF LYNCHBURG

2004 MUNICIPAL PAVING CONTRACT



Effective Date of Contract

July 12, 2004

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ADVERTISEMENT FOR BIDS

Sealed bids for Municipal Paving Contract 2004 will be received by the City of Lynchburg in the Procurement Office, Third Floor City Hall, Lynchburg, VA until 3:00 p.m., Tuesday, May 11, 2004 and then publicly opened and read aloud in the Bidders Room, Third Floor, City Hall.

The work for this term contract includes normal municipal paving projects: plane (mill) and resurface specified streets within the corporate limits of the City.

The Project Manual for the City of Lynchburg, 2004 Municipal Paving Contract may be obtained from the City Engineer, P. O. Box 60, City Hall, Lynchburg, VA 24505, upon receipt of a non-refundable payment of \$25.00 per set or the manual may be downloaded from the City's website:

<http://www.lynchburgva.gov/procurement>. The Manual of Specifications and Standard Details, 2003 for the City of Lynchburg may be obtained at the same location upon receipt of a non-refundable payment of \$100.00 per set. Send

non-refundable payment to the above address to the attention of Cheryl Foxx, telephone number (434) 455-3930, indicating if sender is general contractor or other than general contractor. Please include complete street address with zip code for use by express delivery agencies as well as complete mailing address with zip code to avoid delay in receiving transmittals. Also include telephone number and fax number with area code.

A mandatory pre-bid conference will be held at 3:00 p.m., Tuesday, April 27, 2004, in the Public Works Building, Training Room, 1700 Memorial Ave., Lynchburg, VA, 24501.

ALL REQUESTS FOR CLARIFICATION OR ADDITIONAL INFORMATION MUST BE MADE IN WRITING TO TAMMY S. FARMER, PROCUREMENT DIVISION, BY FACSIMILE (434) 845-0711 OR E-MAIL TAMMY.FARMER@LYNCHBURGVA.GOV, AND RECEIVED BY 2:00 PM, MARCH 25, 2004.

INSTRUCTIONS TO BIDDERS

To be valid for consideration, Bids must be completed and submitted in accordance with these instructions to Bidders.

1.1 DESCRIPTION OF WORK

The work included under a subsequent agreement shall consist of projects for the reconstruction of existing roadways, street widening, shoulder repair, and other paving-related activities. The effective period will start on July 12, 2004 and end on October 29, 2004. This work shall be performed in accordance with the Manual of Specifications and Standard Details, 2003 for the City of Lynchburg and the Project Manual for the City of Lynchburg, 2004 Municipal Paving Contract and applicable sections of the VDOT Road and Bridge Specifications, 2002. However, the City reserves the right to award contracts for any work component, if in the opinion of the City's designated representative; to be in the best interest of the City.

1.2 AMOUNT OF WORK

Bidder's attention is called to the fact that the estimate of quantities of the various kinds of work to be done or materials to be furnished as shown in the base bid sheets are approximate only for bidding purposes, and are given as a basis of calculation for comparing bids and awarding contracts. The City makes no claim that the quantities or components of work outlined herein shall actually be undertaken.

The City reserves the right, under any contract subsequent to this solicitation, to require the successful bidder to undertake all work for which he/she is given a "Notice to Proceed" within the specified effective period at the unit prices bid in the submitted Bid Form, or as negotiated within the limits and scope of services herein: it also reserves the right to terminate the contract or project at any time it deems necessary or proper, which might be occasioned by unforeseen changes or conditions. All work not specifically delineated herein with specified pricing will require prior written quotation before authorization to proceed is given. It is understood by all submitting a bid to this solicitation, that no assumption on the part of the Contractor(s) shall be made that assumes all work authorized by the City will be automatically granted under the terms of a subsequent term contract. Any contract issued subsequent to this solicitation shall be considered a "Convenience" contract to be used at the discretion of the City.

1.3 PLANS, SPECIFICATIONS, AND CONTRACT DOCUMENTS

Copies of the Project Manual for the City of Lynchburg 2004 Municipal Paving Contract as well as the Manual of Specifications and Standard Details for the City of Lynchburg, 2003 will be open for public inspection at the Department of Public Works, P. O. Box 60, Second Floor, City Hall, 900 Church Street, Lynchburg, VA 24505. Copies may be obtained upon receipt of a non-refundable charge of \$25.00 per set for the Project Manual for the 2004 Municipal

Paving Contract or downloaded from the City's website:
<http://www.lynchburgva.gov/procurement>. The Manual of Specifications and Standard Details for the City of Lynchburg can be purchased for \$100.00 per set. The successful bidder shall be issued, without charge, a reasonable number of copies of the Project Manual. However, only one copy of the Manual of Specifications and Standard Details for the City of Lynchburg, 2003 will be provided. It will be the Contractors responsibility to make additional copies as may be required.

1.4 SUBMITTAL OF BIDS

The bidder shall place his registered Virginia Contractor Number, together with his name and address, on the outside of the sealed inner envelope containing his bid and marked "Proposal for 2004 Municipal Paving Contract". Place this envelope within another envelope and address to:

City Hall/Tammy Farmer
Procurement Division
900 Church Street
Third Floor City Hall
Lynchburg, VA 24505

Repeat notation "Current Registered Virginia Contractor No. ____" on the outside of the outer envelope.

Both inner and outer envelopes shall also have noted thereon:

- a. "Bid for Construction of 2004 Municipal Paving Contract"
- b. Bidder's name and address.

The City of Lynchburg will not accept bids submitted after the time set for closing of receipt of bids. All late bids will be returned unopened.

The City of Lynchburg reserves the right to reject any or all bids, and to change the quantities after awarding the contract.

1.5 PREPARATION OF BIDS

The bids must be submitted using the forms furnished in the project manual, or obtained from the City's website.

Base bid sheets that have been prepared by electronic means for calculations will be permitted, however, the contractor must be responsible for their accuracy, and must also submit with his bid, a hard copy of the above mentioned forms signed by an authorized party.

All blank spaces on the bid forms, for each section(s) so quoted, must be filled in legibly and correctly in ink or typewritten. For each scheduled item of work the

Bidder shall specify the price per unit of measure and calculate the extended totals. The summation of these extended totals shall then be considered for the total price of the entire work under the contract, however, unit prices offered shall govern the actual tabulation of bids.

1.6 INTERPRETATIONS AND ADDENDUMS

No oral interpretations of the bid documents will be made to any bidder. To be given consideration, requests for interpretations must be received in time to allow preparation of written response at least five days prior to the date fixed for opening of bids. Interpretations will be issued in the form of written addenda to the bid documents and mailed to all parties who previously received bid documents, prior to scheduled opening of bids. Only interpretations by formal written addenda will be binding. All addenda will be numbered and must be acknowledged as received by the bidder in his/her response.

All communications in regard to interpretations and any other matters related to this project shall be addressed to:

City Hall/Tammy Farmer
Procurement Division
900 Church Street
Third Floor City Hall
Lynchburg, VA 24505

Questions may also be emailed to email address:
tammy.farmer@lynchburgva.gov or faxed to 434-845-0711

1.7 SUPPLEMENTAL BID SHEETS

In the reconstruction of roadways during the year, the City may wish to substitute different types of materials for patching, scratching, etc. from those specified in the Base Bid sheets. On the supplemental bid sheets are listed the items in which the City may wish to make substitutions. Bidders are required to submit prices on the various items contained in these sheets which shall be used as a basis for payment in case substitutions are made. Prices submitted on the supplemental bid sheets are not included in the base bid of each section. However, the Engineer or other authorized City representative will review these prices in awarding authorized scopes of work, and may be the basis for determining to award work or seek alternative contract methods.

1.8 AUTHORITY FOR BIDS

Each bid shall contain the full name of each person, firm, or corporation submitting such bid. Each bid by a corporation shall state the name and the address of its President and Secretary and shall be signed in the name of the corporation by an authorized officer or agent subscribing in his/her own name and office and attested by the seal of the corporation. If the bid is being made by an individual, sole proprietorship, it shall state the name and address of principal in

charge, the firm's name, and will be signed by a member of the firm or accompanied by a proper Power of Attorney. The owner reserves the right, before awarding the contract, to require a Bidder to submit such evidence of this qualification as it may deem necessary. The corporate status form accompanying this solicitation must also be filled out and submitted with your bid.

1.9 QUALIFICATIONS

Each Bidder must be prepared to submit within five calendar days of Owner's request written evidence that he/she has the requisite organization, capital, equipment, ability, personnel, evidence of the authority to conduct business in the jurisdiction where the project is located, and at least five (5) years experience in municipal type work for which he/she has submitted a bid. Each bidder shall, with his bid, submit a list of at least five (5) representative projects in the range of \$500,000 completed within the last five (5) years, giving location, dollar value, year completed, the name(s) of the owner(s) and Engineer(s), phone number, contact person, and type of work done.

The contractor shall verify to the City that he/she has sufficient and qualified personnel to provide for the contract work and have the ability to provide the necessary materials and equipment on an emergency basis during non-regular hours.

Failure by the lowest bidder to sufficiently satisfy the City on his/her ability to meet any of the above requirements will serve as grounds for rejection of the bid.

1.10 AWARD OF BID

No contract will be awarded until the Bids have been examined and approved by the City Purchasing Administrator and City Engineer. The final contract must be sanctioned by the City Attorney, and subsequently signed by the City Manager. Each will satisfy themselves that the bidder is capable of carrying out the work so bid. The contract will be awarded to the lowest responsible, responsive, and best suited Bidder. Such award will be made within sixty (60) calendar days after opening of bids or all bids will be rejected.

1.11 REGISTRATION OF CONTRACTORS

Title 54.1, Chapter 11, Code of Virginia, requires that bidders show evidence of registration before bids may be received and considered on a general or subcontract.

1.12 MODIFICATION AND WITHDRAWAL OF BIDS

A public contract resulting from this solicitation may be modified during performance in accordance with the provisions of Sec. 2.2-4309 Virginia Public Procurement Act. In no event may the amount of any contract, without adequate consideration, be increased for any purpose, including, but not limited to, relief of an offer or from the consequences of an error in its bid or offer. Any Contract

subsequent to this solicitation may be extended to allow completion of any work undertaken but not completed during the original term of the contract.

1.13 WITHDRAWAL OF BIDS AFTER DATE FOR SUBMISSION

Withdrawal of bids after date for submission shall be in accordance with the provisions of Sec. 2.2-4330 of the Virginia Public Procurement Act, a bidder will have two business days after the opening of bids within which to claim, in writing, any mistake as defined and withdrawal their bid, provided such mistake be proved from the Contractor's work papers.

- a. Definition: Contractor's work papers are the original work papers, documents, and materials used in the preparation of the bid as referred to in Sec. 2.2-4330 of the Virginia Public Procurement Act.
- b. No bidder shall withdraw, modify, or cancel any part of his/her bid for the number of days stated on the Bid Form.

1.14 PRE-BID CONFERENCE

A mandatory pre-bid conference will be held on Tuesday, April 27, 2004, at 2:00 p.m., in the Public Works Building, Training Room (1700 Memorial Ave. Lynchburg, VA, 24501). Estimated quantities, the City's plans for work during the terms of the contract, and addendums to the specifications and bid forms will be discussed at this meeting. All bidders must attend the pre-bid conference. Sub-contractors, and suppliers are urged to attend. Of particular concern at this conference will be the City's requirements for affording equal opportunity to all qualified persons to bid on subcontract work performed as part of this contract.

1.15 BID OPENING

Sealed bids will be accepted at the Procurement Division Third Floor, City Hall, 900 Church Street, until 3:00 p.m., Tuesday, May 11, 2004, and then opened and publicly read in the Bidders Room, Third Floor, adjacent to the Procurement Division City Hall. All interested parties are invited to attend.

1.16 AWARD OF CONTRACT

- A. The contract will be awarded on the basis of the sum of the Base Bid. During the course of this contract, in order to accommodate the workloads and the projected needs of the City, the City reserves the right to accept bids and award work to contractors other than the paving contractor, if in the opinion of the designated City representative, it is in the City's best interest to do so.
- B. This Contract shall be a unit price contract with award to the responsible bidder submitting the lowest base bid whose qualifications indicate the award will be in the best interest of the City and whose bid meets the prescribed requirements.

- C. The Owner reserves the right to reject any and all bids and waive any and all informalities and the right to disregard all conforming or conditional bids or counterproposals.
- D. Unless canceled or rejected, a responsive bid from the lowest possible bidder shall be accepted as submitted, except that if the bid from the lowest responsible bidder exceeds available funds, pursuant to Section 18-158 of the Lynchburg Procurement Ordinance, the City may negotiate with the apparent low bidder to obtain a contract price within available funds.
 - 1. Procedure for Negotiations. If the City wishes to negotiate with the apparent low bidder to obtain a contract price within available funds, negotiations shall be conducted in accordance with the following procedures:
 - a. The Director of Public Works shall provide the Purchasing Agent or his designee, with a written determination that the apparent low bid exceeds available funds. Said determination shall be confirmed in writing by the Director of Finance or his designee. The Director of Public Works shall also provide the Purchasing Agent or his designee with a suggested reduction in scope for the proposed purchase to meet applicable budgetary constraints.
 - b. The Purchasing Agent shall advise the lowest responsible bidder, in writing, that the proposed purchase exceeds available funds. He shall further suggest a reduction in scope from the proposed purchase, and invite the lowest responsible bidder to amend its bid based upon the proposed reduction in scope.
 - c. Repetitive informal discussions with the lowest responsible bidder for purposes of obtaining a contract within available funds shall be permissible, and will be conducted by representatives of the Purchasing Office and the contract end user.
 - d. The lowest responsible bidder shall submit an addendum to its bid to the City Purchasing Agent, which addendum shall include the change in scope for the proposed purchase, the reduction in price, and the new contract value.
 - e. If the proposed addendum is acceptable to the City, the City may award a contract with funds available to the

lowest responsible bidder based upon the amended bid proposal.

- f. If the City and the lowest responsible bidder cannot negotiate a contract within available funds, all bids shall be rejected, and the project or scope of work re-solicited.

1.17 EXECUTION OF CONTRACT

Within 10 days after the date of award, the successful bidder to whom the contract is awarded, shall execute and deliver to the owner two (2) copies of the contract, the contract bond, satisfactory evidence of all required insurance coverage and proof, satisfactory to the Purchasing Agent, of the authority of the person or persons executing the contract. The contract shall not be binding of the Owner nor the Contractor, until it has been executed by the Owner and copies of the executed contract returned to the contractor.

1.18 FAILURE TO EXECUTE CONTRACT

Default of entering into contract, to execute and deliver required documents and bonds within 10 days after date of award shall be just cause for the annulment of the award and for the forfeiture of the bid guarantee to the Owner. Such forfeiture shall be in liquidated damages sustained and shall not be considered a penalty. Award may then be made to the next lowest responsive Bidder or all bids may then be rejected and the work may be re-advertised.

1.19 NOTICE TO PROCEED/ TIME OF COMPLETION

The estimated quantities as shown on the Base Bid Sheets shall be taken to mean the estimated work to be completed within the contract period. The amount of such work authorized under the provisions of a subsequent Contract may be increased or decreased by the City dependent upon the actual needs of the City.

The Engineer, after conferring with the contractor, may issue a written "Notice to Proceed" and a "Completion Time" which shall be mutually agreed between the Engineer and the contractor. The Engineer's decision shall be final in cases where agreement cannot be reached. If the contractor does not concur, he/she shall make a written request for a change prior to the effective date of the "Notice to Proceed." The contractor shall be required to begin construction within ten (10) consecutive calendar days after date of "Notice to Proceed", and shall continue until the work is finished or suspended at the end of the contract period.

The contractor shall have a minimum of sixty-five percent (65%) of the work completed by the end of the contract period based on the contract dollar amount.

The contractor shall provide to the City a minimum of one crew which shall remain on awarded work under this contract, 2004 Municipal Paving Contract, until all assigned work is completed. If workload requires, the City shall require

more than the specified number of crews to be provided by the contractor to accommodate workloads.

1.20 LIQUIDATED DAMAGES

Failure by the Contractor to meet the requirements of Section 1.22 above, shall be deemed to be unsatisfactory progress and will disqualify the Contractor from bidding on the City's next Paving Contract.

If said contractor shall neglect, fail or refuse to complete the work or any phase thereof within the time herein specified, or any proper extension thereof granted by the owner, then the contractor does hereby agree, as a part of consideration for the awarding of this contract, to pay the owner in the amount of \$200.00 for each and every calendar day the time consumed in said performance and completion exceeds the time herein allowed for that purpose, not as penalty but as liquidated damages for such breach of contract as hereinafter set fourth; and owner shall and may deduct and retain the amount of such liquidated damages out of the money which may be due or become due under this contract. In addition, liquidated damages shall be assessed for the incomplete tonnage at the rate of \$3.00 per ton based on the estimated quantities in Appendix A.

The said amount is fixed or agreed upon by and between the contractor and the owner because of the impracticality and extreme difficulty of fixing and ascertaining the actual damages the owner would in such event sustain, and said amount as agreed to be in the amount of damages which the owner would sustain.

It is further agreed that time is of essence of each and every portion of the contract and of the specifications wherein a definite and certain length of time is fixed for the performance of any act whatsoever; and where under the contract an additional time is allowed for the completion of any work, the new time limit fixed for such extension shall be of essence of the contract.

Provided, that the contractor shall not be charged with liquidated damages or any excess cost when the delay in completion of the work is due:

- (a) To any preference, priority or allocation order duly issued by the Government;
- (b) To unforeseeable cause beyond the control and without the fault or negligence of the contractor, including but not restricted to, acts of God or of the public enemy, acts of the owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unseasonably severe weather; and
- (c) To any delays of subcontractors or suppliers occasioned by any of the causes specified in section (a) and (b) of the article;

Provide, further, that the contractor shall, within ten (10) days from the beginning of such delay, unless the owner shall grant a further period of time prior to the date of final settlement of the contract, notify the owner, in writing of the cause of the delay, who shall ascertain the facts and extent of the delay and notify the contractor within a reasonable time of his decision in the matter.

1.21 DISADVANTAGED BUSINESS ENTERPRISE PLAN

A. Policy Statement

It is the policy of the City of Lynchburg to utilize Disadvantaged Business Enterprises wherever possible in contracting. This commitment can be demonstrated by the efforts taken in the development of this plan and in correspondence within this organization stating such position.

B. List of Procedures to Ensure an Opportunity to DBE's

The following procedures will be utilized by the City of Lynchburg to obtain Disadvantaged Business Enterprise participation:

Advertise 30 days before bids or proposals are requested. It should be noted that some projects may be advertised less than 30 days due to certain circumstances.

Provide written notice to DBEs that their interest in a proposed contract is solicited, with invitation to attend pre-bid meetings.

Maintain a list of DBEs to be contacted.

C. Designation of Sponsor Liaison Officer

The following person has been assigned the responsibility to manage and implement the Disadvantaged Business Enterprise Program:

Name: Melva Walker
Title: Administrative Grants Coordinator
Address: City Hall - Department of Community Planning & Development
Post Office Box 60, Lynchburg, VA 24505
Telephone: (434) 847-1671

D. Policy on the Use of the Community Organization for Minority Economic Development

The City will utilize the services offered by the Community Organization for Minority Economic Development and other such approved agencies. The City will suggest to all prime contractors that they do the same.

- E. Disadvantaged Business Enterprise Directory Availability
An up-to-date DBE Directory is available from the Sponsor Liaison Officer and or the City's Procurement Office, and will be provided to all bidders upon request.
- F. Selection Criteria to Emphasize DBE Goals
A requirement of the contract agreement will be that a genuine concerted effort shall be made to utilize DBE's whenever possible.
- G. Contractors Effort to Carry Out This Plan
The Successful Contractor must submit to the City's Purchasing Agent within 30 days of award of a contract, his/her plan to assist the City carrying out the City's commitment to utilize DBE's wherever possible. The successful Contractor will be required to designate a DBE Coordinator, who will meet with the City Purchasing Agent on a quarterly basis, to identify opportunities to assure success of the City's plan. Significant components of Sub-contracted work in compliance with the 20 percent provision her-in stated (if any), shall be advertised in a local news paper publication, outlining the specific category(s) of subs sought. The Contractor may also make use of the City's Purchasing Division resources to assist in locating qualifying sub-contractors. The DBE coordinator shall keep records of the dollar amount of work subcontracted, and be prepared to share with the Purchasing Agent at their quarterly meeting.

1.22 EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED

- A. During the performance of this contract, the contractor agrees as follows:
 - 1. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contract. The contractor will not discriminate against and will make reasonable efforts to accommodate disabled persons as required by the Americans with Disabilities Act. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - 2. The contractor, in all solicitation or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

3. Notices, advertisements and solicitations placed in accordance with Federal Law, rules of regulation shall be deemed sufficient for the purpose of meeting the requirements of this Section.

- B. The contractor will include the provisions of the foregoing paragraphs A, B, and C in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

1.23 EQUAL OPPORTUNITY REPORT STATEMENT

In addition to requirements set forth above, prospective bidders shall complete the Equal Opportunity Report Statement attached to the Bid Form.

1.24 ANTI-COLLUSION STATEMENT

Bidders shall complete the Anti-Collusion Statement attached to the Bid Form. Failure to sign and notarize this statement may result in rejection of the bid.

1.25 INSURANCE

The contractor shall be required to obtain and maintain in effect throughout the length of the contract liability insurance or Workmen's Compensation Insurance, and also Comprehensive Liability Insurance, together covering bodily injuries to his employees and the public, received as a consequence of the performance of the work under this contract. The contractor shall not commence work under this contract until he has obtained all insurance requirements under this section and such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all insurance required of the subcontractor has been obtained and approved. Certificates will be required for the Engineer's approval prior to beginning work. All certificates of insurance shall name "The City of Lynchburg, its officers and employees as an additional insured".

- A. Contractor's Automobile Liability (Bodily Injury and Property Damage) combined single limit coverage shall be provided for the following limits:

Bodily Injury Liability	&	
Property Damage & Liability		\$1,000,000 each occurrence

The contractor's insurance provider shall use occurrence form CA001 Ed. 01/80.

- B. Contractor's Workmen Compensation Insurance as required by Federal, State, and Municipal laws for the protection of all contractor's employees working on or in connection with the project, including broad form all states and voluntary compensation coverage's.
- C. Contractor's comprehensive general liability (Bodily Injury and Property Damage) combined single limit coverage shall be provided for the following limits:

Bodily Injury Liability &
Property Damage & Liability \$1,000,000 each occurrence

The contractor's insurance provider shall use occurrence form CG0001, Ed. 11/88.

- D. Comprehensive Liability Insurance shall include the following coverages:
“X”, “C”, and “U” Hazards
Owner’s Protection Liability
Contractor’s Protective Liability
Personal Injury (all insuring agreements) deleting the employee exclusion
Broad Form Property Damage, including completed operations- to modify care, custody, or control exclusion
Contractual Liability – required when a hold harmless agreement has been signed.
- E. Excess catastrophe coverage shall be provided by the contractor with a minimum limit of \$4,000,000.00
- F. Any Insurance maintained by the City shall apply in excess of and shall not contribute with insurance provided by the contractor.
- G. Fire, Extended Coverage, Vandalism, and Malicious Mischief (Completed Value Builder’s Risk) Insurance for full insurable value of the project shall be provided by the contractor. The contractor shall secure, if applicable, “All Risk” type Builder’s Risk Insurance. The Builder’s Risk Insurance shall be for the benefit of the owner, the contractor, and the subcontractors, as their interest may appear.
- H. For Railroad crossing and work performed on Railroad Company’s property, the Prime Contractor will be required to carry insurance of the following kinds and amounts:
 - 1. Workers’ Compensation and Employers’ Liability Insurance- coverage to meet fully the Statutory or regulatory requirements applicable in connection with death, disability or injury to Principal’s employees.
 - 2. General Liability Insurance having a combined single limit of not less than \$2,000,000 per occurrence. Policy should include Products and Completed Operations coverage and contractual liability coverage to cover the obligations assumed under the agreement and shall not deny coverage for operations conducted within 50 feet of a Railroad hazard. The railway shall be named as a certificate holder and as an additional insured with regards to the operations being performed.

3. Automobile Liability insurance having a combined single limit of \$500,000 per occurrence.
 4. In the event Principle cannot obtain contractual liability insurance to cover the obligation assumed in the agreement (see #2), Principal shall furnish Railway Company with a Railroad Protective Liability Policy having a combined single limit of \$2,000,000 per occurrence. Depending on the type of work to be performed, this coverage may be added to the Master Railroad Protective Insurance policy for a premium fee of \$1,000. This provision does not negate the need to provide items 1 through 3, other than the contractual liability requirement.
- I. The contractor shall require his surety to certify on the insurance certificate that the insurance coverage specified herein is fully in effect, both in scope and in amount. If insurance coverage is effected with more than one company, the individual certificates shall identify the items of insurance listed above which the individual companies cover.
 - J. All insurance shall be written by insurance companies listed to do business in the Commonwealth of Virginia and acceptable to the owner.

ADDITIONAL REQUIREMENTS

2.1 GENERAL SPECIFICATIONS AND STANDARD DETAILS

The Manual of Specifications and Standard Details for the City of Lynchburg, 2003, this Project Manual for the City of Lynchburg 2004 Municipal Paving Contract, the VDOT Road and Bridge Specifications (2002), Plans, Special Provisions, Addenda and all Supplementary Documents become parts of the contract and any requirement occurring in one is as binding as though occurring in all. They are intended to be complementary and to describe and provide for a complete work. For further information regarding discrepancies between these documents, see applicable sections of the Manual of Specifications and Standard Details.

2.2 PAYMENTS

- A. See Section 01000, General Requirements, of the Manual of Specifications and Standard Details for the City of Lynchburg, 2003 regarding requests for payment.

- B. See Section 01200, Measurement and Payment, of the Manual of Specifications and Standard Details for the City of Lynchburg, 2003 regarding descriptions for payment of work.
- C. At least five business days prior to the date of submittal of payment, the Contractor shall schedule and meet with the Paving Coordinator to review the progress of each project and to determine the items of work and quantities completed since the previous Application for Payment. The Financial Coordinator shall review and process each application in a timely manner. Errors and discrepancies shall be brought to the Contractor's attention who in turn shall make corrections and promptly resubmit the Application for Payment. The City shall make partial payment on each approved Application for Payment on or before the last business day of the month following the month in which the work was performed. If the Engineer subsequently determines that the contractor has been overpaid, all further partial payments may be credited against such overpayment.
- D. Payment will only be made for those pay items and pay units given on the Bid Forms, or as resolved within the limits of this contract, and supported by City issued purchase order. Payment will be made only for those actual quantities of work performed within the individual project scope supported by purchase order or purchase order change order if additional work above the original scope is involved.
- E. The following procedure will be utilized by the City of Lynchburg and all its contractors to obtain an account of work performed by disadvantaged business enterprise participants. Upon submittal of each monthly estimate a separate sheet (DBE Form 1), which will be supplied by the Engineering Office, is to be completed. This form must be completed and submitted to this office before any payments for the previous month's work will be made. One copy of this form will be submitted, along with each estimate, and a duplicate copy will be submitted to Melva Walker, Administrative Grants Coordinator, Department of Community Planning & Development, P. O. Box 60, Lynchburg, VA 24505. This form will include the total dollar amount for this monthly estimate and will include the value of work completed by any disadvantaged business enterprise utilized.
- F. At the time the Contractor submits a bid, the Contractor shall have the option to use the escrow account procedure for utilization of City retained funds by so indicating in the space provided in the proposal documents. In the event the Contractor elects to use the escrow account procedure, the "Escrow Agreement" form included in the Bid and Contract shall be executed and submitted to the City within fifteen (15) calendar days after notification. If the "Escrow Agreement" form is not submitted as noted hereinbefore the Contractor shall forfeit such rights to the use of the

escrow account procedure. In order to have retained funds paid to an escrow agent, the Contractor, the escrow agent and the surety shall execute an "Escrow Agreement" form and submit same to the City for approval. The Contractor's escrow agent shall be a trust company, bank or savings and loan institution with its principal office located in the Commonwealth of Virginia. The "Escrow Agreement" form shall contain the complete address of the escrow agent and surety, and the executed "Escrow Agreement" will be authority for the City to make payment of retained funds to the escrow agent. After approving the agreement, the City will pay to the escrow agent the funds retained as provided herein except that funds retained for lack of progress or other deficiencies on the part of the Contractor will not be paid to the escrow agent. The escrow agent may, in accordance with the stipulations contained in the "Escrow Agreement", invest the funds paid into the escrow account and pay earnings on such investments to the Contractor or release the funds to the Contractor provided such funds are fully secured by approved securities.

Retained funds invested and securities held as collateral for retainage may be released only as and when directed by the City. When the final estimate is released for voucher, the City will direct the escrow agent to settle the escrow account by paying the Contractor or the City monies due them as determined by the City. The City reserves the right to recall retained funds and to release same to the surety upon receipt of written request from the Contractor or in the event of default.

The following correction should be made to the contract using the "City Standard Escrow Agreement" paragraph V., section (4):

V. (4) Bonds of the Commonwealth of Virginia or any political subdivision thereof, if such bonds carried, at the time of purchase by the bank or deposit by the contractor, a standard and Poor's or Moody's Investors Service rating of at least "A", and . . .

- G. The City reserves the right to withhold the payment of any partial or final estimate voucher or any sum or sums thereof from such vouchers in the event of the failure of the contractor to promptly make payment to all persons supplying equipment, tools, or materials, or for any labor used by him in the prosecution of the work provided for in the contract, and for any other cause, including overpayment on previous partial payment.
- H. Payment for stored materials - when requested in writing by the contractor, allowances may be made for material delivered for use on a project, but not incorporated in the work if a bill of sale or other evidence, so as to protect the owner's title to said material be presented and the material be stored in a manner acceptable to the Engineer.

- I. Acceptance and Final Payment - when final inspection and final acceptance have been duly made by the Engineer, the contractor shall submit, with the approval of the Paving Coordinator, the final estimate representing payment for total completed quantities for the project.

Prior to final payment, the contractor shall certify to the City that he has made all settlements, or satisfactory arrangements therefore, for labor, materials and supplies entering into or used by him on the work and shall furnish such other certificates as are required by the City as a prerequisite to the issuance of final payment. In case such evidence is not furnished, any amount necessary to meet such claims may be retained by the City from any monies due the contractor until such claims are fully satisfied and liens therefore discharged.

All prior partial estimates and payments shall be subject to correction in the final estimate and payments. The acceptance by the contractor of this final payment made aforesaid shall operate and be a release to the City for all claims by and the liabilities to the contractor for all work done or materials furnished, or for any action the City or its agents affecting the work.

Acceptance and final payments are not based on the municipal contract in its entirety, but are based on each individual project or specific event as deemed by the City where a final acceptance date has been established and all work approved by the City Engineer.

- J. The prime contractor shall take one of the two following actions within seven days after receipt of payment from the City with regards to work performed by a subcontractor under their contract.

1. Pay the subcontractor for the proportionate share of the total payment received from the City attributable to the work performed by the subcontractor under that contract; or

2. Notify the City and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

The contractor will pay interest to the subcontractor on all amounts owed by the contractor that remain unpaid after seven days following receipt by the contractor of payment from the City for work performed by the subcontractor under this contract, except for amounts withheld as allowed in subdivision "b" of this section. Interest shall accrue at the rate of one percent per month.

The contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

A contractor's obligation to pay an interest charge to a subcontractor pursuant to the payment clause in this section may not be construed to be an obligation of the City's. A contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

- K. Contractual Disputes – Contractual claims, whether for money or other relief, shall be submitted in writing no later than sixty (60) days after final payment. However, written notice of the contractor's intention to file a claim shall be given at the time of the occurrence or beginning of the work upon which the claim is based. Pending claims shall not delay payment of amounts agreed due in the final payment.
- L. Administrative Appeals Process – Any prospective bidder may appeal a decision by the City in accordance with section 2.2-4365 Code of VA., by registering a written complaint to the City's Purchasing Agent detailing the complaint and any relief sought.

2.3 EXTRA WORK AND FORCE ACCOUNT WORK

The Contractor shall perform unforeseen work whenever it is deemed necessary or desirable in order to complete fully the intent of an authorized project. Such work shall be performed and paid for in accordance with one of the following three methods as specified below and as approved by the City Engineer.

Extra work will be paid for as mutually agreed between the City Engineer and the Contractor prior to commencement of such work. The final decision and approval regarding the payment of work will be made by the City Engineer.

- A. The primary method of payment shall be made by unit price method if such line item is available within the contract. The designation of models associated with the line item represents minimum size required, other models equal to or greater may be substituted at no increase in price. Equipment prices are to include operator, expenses, overhead, special attachments, insurance, taxes, and profit. The unit price for manpower shall include all hand tools and portable power tools necessary for the work being performed.

B. When there is no line item for payment of work, the contractor shall be required to perform such work on a force account basis and will be compensated in the following manner:

1. Labor: The contractor will receive the rate of wage set forth in his actual payroll for each classification of labor, foreman, and/or superintendents who are in direct charge of the specific operation. The time allowed for payment will be the number of hours that said personnel are actually engaged in such work. In the event overtime work is authorized, payment will be at the normal overtime rate set forth in the contractor's most recent payroll. An amount equal to 25% of the approved force account payroll will be included in the payment for labor to cover administrative costs, profit and benefits and/or deductions normally paid by the contractor.
2. Materials: The contractor will receive the actual cost of the materials accepted by the City Engineer, delivered and used for the work including taxes, transportation and handling charges paid for to him to which cost, 15% will be added for administration, profit, and any other related charges. The contractor shall take full advantage of all trade discounts offered by the materials supplier. All salvageable temporary construction materials will be retained by the City if the City Engineer so desires.
3. Equipment: The contractor will be paid hourly rental rates for pieces of machinery and equipment necessary for the prosecution of the work which is approved by the City Engineer. The hourly rental rates paid will not exceed the rental rates bases on 1/40 of the weekly rental rates of the schedule shown in the Rental Rate Blue Book which is current at the time the Force Account is authorized. Rental rates will be paid for the time the machine or piece of equipment (excluding the operator) is in actual operation on force account work or is held and ready for the prosecution of a particular phase of force account work as authorized by the City Engineer. An amount equal to 15% of the preceding rental rate will be paid to the contractor to cover the costs of fuel, lubricants, repairs, servicing, (greasing, fueling, and oiling of the machinery or equipment) small tools, and other incidentals approved by the City Engineer. No compensation will be paid for the use of machinery or equipment, which is considered by the City Engineer to be unnecessary for the performance of the work. The rates for special work not listed in the Blue Book schedule used on the force account work shall not exceed the

hourly rate being paid for such equipment by the contractor at the time of the force account authorization. In the absence of such rates, the prevailing rate being paid this area will apply.

4. Miscellaneous: No additional allowances will be made for: attachments which are considered common accessories for equipment as defined in the Blue Book, general superintendents, office workers (time keepers, secretaries, etc.), the use of small tools, or other costs for which no specific allowance herein provided.
5. Compensation: The compensation as set forth in this section shall be accepted by the contractor as payment in full for extra work done on force account basis. At the end of each day, the contractor will be responsible for scheduling and meeting with the City Engineer's representative to receive approval of the time of equipment, labor and materials used for that days work.
6. Statements: No payments will be made for work performed on a force account basis until the contractor has furnished the City Engineer with duplicate itemized statements of the cost of such force account work detailed as follows:
 - a. Payroll indicating name, classification, date, daily hours, total hours, rate and extension for each laborer, and foreman and/or superintendent.
 - b. Designation, dates, daily hours, total hours, rate and extension for each unit of equipment.
 - c. Quantities of materials, prices, and extensions.
 - d. Transportation of materials.

Statements shall be accompanied and supported by invoices for all materials used and transportation charges. However, if materials used are not specifically purchased for such work but taken from the contractors stock, then in lieu of the invoices, the contractor shall furnish an affidavit certifying that such materials were taken from his sock, that the quantity claimed was actually used, and that the price, transportation, and handling claimed represents the actual cost of the contractor.

- C. If the City Engineer desires, he may request work to be taken on a "quote basis". Such method of payment for "Extra Work" will be a "not to exceed, quote" submitted to the City Engineer by the contractor and will represent full compensation to the contractor for all labor, materials, and

equipment to complete such work, with the scope as defined by the City Engineer.

2.4 SUBLETTING OF CONTRACT

Except as otherwise noted herein, Contract work amounting to not less than 80 percent of the total project or Contract shall be performed with the Contractor's own organization. "Specialty Items" so designated by the City Engineer may be performed by subcontract and the cost of any "Specialty Items" so performed may be deducted from the total project or Contract cost before computing the amount of work required to be performed by the Contractor's own organization. Contractors will be required to clearly identify such subcontract requirements in their preliminary estimate or quotation, or the City will assume the contractor has the requisite resources to meet the terms of the contract.

2.5 SUBCONTRACTS FOR EXTRA WORK

When extra work is required due to unforeseen conditions for which there is no price included in the contract and subcontractors are necessary, the contractor shall solicit written sealed bids, where possible, from at least two qualified subcontractors for such work. Such process shall be undertaken only upon the prior authorization of the Procurement Administrator for the City. The contractor shall take all reasonable measures to insure that all contractors including minority contractors are given an equal opportunity to bid on any work to be subcontracted. Bids which include pricing for subcontract work must indicate that written bids were requested from minority contractors where available. These prices shall be on file with the contractor and available for review and approval by the City prior to beginning of work.

2.6 COMPENSATION FOR SUBCONTRACTS FOR EXTRA WORK

Whenever the prime contractor is required and authorized by the City to engage the services of a subcontractor to perform work as stated above, then the following method of compensation, as set forth in this section will be made:

The prime contractor will be paid ten (10) percent of the subcontracted net work to cover his profit and administration cost. The amount resulting from such ten (10) percent additive will not be subject to any further additives.

ADDITIONAL REQUIREMENTS FOR ITEMS OF CONSTRUCTION

3.1 CONSTRUCTION SCHEDULE

The contractor and Engineer shall develop a prioritized paving schedule at a pre-construction meeting prior to the beginning of the project. The owner shall be notified in advance of any major changes in the paving schedule as the project progresses. The contractor shall contact the Engineer at least three business days before beginning work on any project or portion of such project, so that appropriate survey, if applicable, can be scheduled. The contractor shall coordinate with the Engineer or the Engineer's representative at least two business days prior to activities that may involve coordination between other City Departments and/or other concerned parties. Work scheduling shall be subject to the availability of services to be provided by the City.

Work shall not be performed on Sundays or City annual holidays without the permission of authorized City Personnel except as necessary to maintain traffic.

When work in the roadway is scheduled for major roadways, thoroughfares, or expressways (as defined by the City Engineer), the contractor cannot obstruct the roadway before 8:30 AM (when it conflicts with morning rush-hour traffic) or after 3:30 PM (when it conflicts with afternoon rush-hour traffic).

During special public events the Engineer may require the contractor to limit or cease construction activities that may in his opinion interfere with such events.

The Contractor shall, unless otherwise directed, maintain traffic flow as follows:

Two Lane Streets – one lane shall be kept open for traffic.

Four Lane Streets – two lanes shall be kept open for traffic.

All traffic control costs shall be included in the contract unit price per ton of asphalt concrete.

3.2 MATERIALS TO BE FURNISHED BY THE CITY

The contractor shall furnish all materials necessary to complete each item shown in the Bid unless otherwise noted.

Where materials are furnished by the City, the contractor shall notify the Engineer at least 72 hours in advance of his need of the materials in

question, and contact the Utilities Department "Stores" at least 24 hours before scheduled pick-up (only during normal City business days and hours). No payment will be made for pick-up of this material at the City Utilities Division. This cost is to be included in the unit price for any work of any nature where the City furnishes the material.

3.3 EMERGENCIES

When specifically authorized by the City Administration during periods of emergency, the Director of Public Works may direct the contractor to undertake construction-related activities to protect municipal facilities and community interests. Compensation to the contractor for such "emergency work" shall be determined as provided in the Extra Work and Force Account Work section of these specifications.

BID FORM

Tammy Farmer
Buyer
City of Lynchburg
Third Floor, City Hall
900 Church St.
Lynchburg, Virginia 24505

Gentlemen:

The undersigned, having examined the Manual of Specifications and Standard Details for the City of Lynchburg, 2003 and the Project Manual for the City of Lynchburg, 2004 Municipal Paving Contract, and also having examined the site and local conditions affecting the work, hereby proposes to furnish all plant, labor, equipment, materials, and services and to perform all operations necessary to execute and complete the work required for the project, in strict accordance with the Drawings, Specifications and Project Manual together with Addenda numbered _____, issued during bidding period and hereby acknowledged, subject to the terms and conditions of the Agreement for the lump sum of:

TOTAL BASE BID:

(Roadway, Shoulder Repair, Paving, Etc.):

_____ Dollars (\$_____)

The Base Bid is founded upon furnishing equipment and materials of specified manufacturers. Substitute equipment or materials of other manufacturers may be offered for consideration in accordance with Division 1 - General Requirements.

It is understood and agreed that the Owner, in protecting his best interest, reserves the right to reject any or all bids, or accept any Bid or Deductive Alternate at the Bid Price whereupon the Contractor shall furnish equipment and materials as specified.

Contractors will indicate a unit price for each item listed below. The listed bid items are to contain all necessary cost required for completion of the referenced projects. Any changes, erasures, modifications or deletions in the bid form, or alternate proposals not specified in the bid proposal shall make the proposal irregular and subject to rejection.

It is understood that all quantities listed herein are estimated quantities and the Owner reserves the right to raise, lower, or eliminate any quantity or item and in any case the unit prices shall be used in determining partial and final payments.

We are properly equipped to execute work of the character and extent indicated by the bidding documents and so covered by this Bid and will enter into Agreement for the execution and completion of the work in accordance with the Drawings and Project Manual and this Bid. We further agree that if awarded the Contract, we will commence the work within ten (10) days of receipt of the Intent to Award/Notice to Proceed and prosecute the Work and maintain a work force large enough to execute the work and all obligations within the time limit specified in the notice to proceed for each project.

We agree to pay as liquidated damages, the sum of _____ (\$ _____) for each consecutive calendar day that the Substantial Completion is delayed in accordance with the Contract Agreement.

Enclosed herewith is the following Security, offered as evidence that the undersigned will enter into Agreement for the execution and completion of the work in accordance with the Drawings and Project Manual:

Certified Check for the Sum of
Name of Bank:
Bidder's Bond in Amount of
Bond Issued By:

This Firm assures that it will give its best efforts to use Disadvantaged Business Enterprises wherever possible. We understand selection of successful bidder will include a consideration of cost and evaluation of whether the bidder has conscientiously attempted to use DBE's. A requirement of the Contract Agreement will be that a genuine concerted effort will be made to utilize DBE's wherever possible. Attached herewith is the completed Equal Opportunity Report Statement.

The undersigned further agrees that in case of failure on his part to execute the said Agreement within fourteen (14) consecutive calendar days after receipt of the Agreement, the monies payable by the securities accompanying this Bid shall be paid to the City of Lynchburg, Virginia as liquidated damages for such failure; otherwise, the securities accompanying this Bid shall be returned to the undersigned.

Attached herewith is a Certified Anti-Collusion Statement. Failure to sign and notarize this statement may result in rejection of the Bid.

Attached herewith is a completed Qualifications Report which includes the information requested for the past five (5) years.

The undersigned further agrees to fulfill all requirements of State, Federal, and Municipal laws, which may be applicable to this project.

Further, if determined to be the successful bidder, the below signed elects to utilize the escrow account procedure in accordance with the "Escrow Agreement", a copy of which is included in these Contract Documents: Yes: _____ No: _____

In the event the successful bidder elects to use the escrow account procedure, the "Escrow Agreement" form shall be executed and submitted to the City of Lynchburg, Engineering Division, within fifteen (15) calendar days after notification of award. If the "Escrow Agreement" form is not submitted within the fifteen-day period, the Contractor shall forfeit his rights to the use of the escrow account procedure. This Bid is subject to acceptance within a period of 90 days from this date: Respectfully Submitted,
Date:

(contractor)

Contractor's Current Virginia License No.:
_____ Code: _____

By:

(signature)

Telephone No.: _____

(typed/printed name & title)

Fax No.: _____

(address)

EQUAL OPPORTUNITY REPORT STATEMENT (Attachment 1)

The Bidder shall complete the following statement by checking the appropriate blank as follows.

The Bidder has _____ has not _____ participated in a previous contract subject to the non-discrimination clause prescribed by Executive Order 10925, dated March 6, 1961, or Executive Order 11114 dated June 22, 1963.

In conjunction with the City of Lynchburg's policy to utilize Disadvantaged Business Enterprises wherever possible, the Bidder has solicited quotations for labor, material, and/or services from the following:

<u>NAME OF FIRM</u>	<u>PERSON (S) CONTACTED</u>	<u>DATE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Of those listed above, we intend, at this time, to utilize the following in the completion of the work required by this contract:

"This firm assures that it will give its best efforts to utilize Disadvantaged Business Enterprises wherever possible."

CERTIFIED BY: _____ (signature)
_____ (typed/printed name & title)

BIDDER'S NAME:

IRS NUMBER: _____

_____ This firm shall perform all construction with its own employees and, therefore, is not required to solicit quotations from DBE's.

FAILURE TO DOCUMENT AND REPORT DBE CONTACTS ON THIS FORM MAY BE A BASIS FOR REJECTION OF THE BID AS NONCONFORMING.

CERTIFICATION OF NONDISCRIMINATION AND ANTI-COLLUSION (Attachment #2)

By submitting their bids, all bidders certify to the City of Lynchburg, VA that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginia's With Disabilities Act, the Americans With Disabilities Act, Section 2.2-4311 of the Virginia Public Procurement Act, and the Lynchburg Procurement Ordinance:

In every contract over \$10,000, the provisions below apply:

1. During the performance of this contract, the contractor agrees as follows:
 - A. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - B. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
 - C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
2. The contractor will include the provisions of the foregoing paragraphs A, B and C in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

Certified by: _____ (corporate seal)

Date: _____

Note: I hereby certify that this bid is not the result of, or affected by, any act of collusion with another person engaged in the same line of business, or any act of fraud punishable under the Virginia Commonwealth Frauds Act.

_____ (seal)

Acknowledged before me this _____ day of _____, _____

Notary Public

My commission expires: _____

QUALIFICATIONS

The bidder shall state here what previous Municipal type work he has performed similar to that contemplated in this Contract, and give references that will afford the City of Lynchburg an opportunity to judge his experience and skill. *List five (5) projects of \$500,000 in value completed within the last five (5) years.*

Failure to provide satisfactory evidence of experience may cause the Bid to be rejected.

[illegible]

ESCROW AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____ by,
between and among the City of Lynchburg ("City"), _____
_____, ("Contractor"),

(Name of Bank)

(Address of Bank)

a trust company, bank, or savings and loan institution with its principal office located in the
Commonwealth of Virginia (hereinafter referred to collectively as "Bank"), and _____

_____, ("Surety") provides:

I.

The City and the Contractor have entered into a contract with respect to City.

Project No. and Name: _____

("the Contract"). This agreement is pursuant to, but in no way amends or modifies, the Contract.
Payments made hereunder or the release of funds from escrow shall not be deemed approval or
acceptance of performance by the Contractor.

II.

In order to assure full and satisfactory performance by the Contractor of its obligations under the
Contract, the City's Director of Finance is required thereby to retain certain amounts otherwise due the
Contractor. The Contractor has, with the approval of the City, elected to have these retained amounts
held in escrow by the Bank. This agreement sets forth the terms of the escrow. The Bank shall not be
deemed a part to, bound by, or required to inquire into the terms of, the Contract or any other instrument
or agreement between the City and the Contractor.

III.

The City shall from time to time pursuant to its contract pay to the Bank amounts retained by it under the
Contract. Except as to amounts actually withdrawn from escrow by the City, the Contractor shall look
solely to the Bank for payment of funds retained under the Contract and paid by the City to the Bank.

The risk of loss by diminution of the principal of any funds invested under the terms of this contract shall
be solely upon the Contractor.

Funds and securities held by the Bank pursuant to this Escrow Agreement shall not be subject to levy,
garnishment, attachment, lien, or other process whatsoever. Contractor agrees not to assign, pledge,
discount, sell or otherwise transfer or dispose of his interest in the escrow account or any part thereof,
except to the Surety.

IV.

Upon receipt of checks or warrants drawn by the Director of Finance and made payable to it as escrow
agent, the Bank shall promptly notify the Contractor, negotiate the same and deposit or invest and reinvest

the proceeds in approved securities in accordance with the written instruction of the Contractor. In no event shall the Bank invest the escrowed funds in any security not approved.

V.

The following securities, and none other, are approved securities for all purposes of this Agreement:

- (1) United States Treasury Bonds, United States Treasury Notes, United States Treasury Certificates of Indebtedness or United States Treasury Bills,
- (2) Bonds, notes and other evidences of indebtedness unconditionally guaranteed as to the payment of principal and interest by the United States,
- (3) Bonds or notes of the City,
- (4) Bonds of any political subdivision of the City, if such bonds carried, at the time of purchase by the Bank or deposit by the Contractor, a Standard and Poor's or Moody's Investors Service rating of at least "A", and
- (5) Certificates of deposit issued by commercial Banks located within the Commonwealth, including, but not limited to, those insured by the Bank and its affiliates,
- (6) Any bonds, notes, or other evidences of indebtedness listed in Section (1) through (3) may be purchased pursuant to a repurchase agreement with a Bank, within or without the City having a combined capital, surplus and undivided profit of not less than \$25,000,000 provided the obligation of the Bank to repurchase is within the time limitations established for investments as set forth herein. The repurchase agreement shall be considered a purchase of such securities even if title, and/or possession of such securities is not transferred to the Escrow Agent, so long as the repurchase obligation of the Bank is collateralized by the securities themselves, and the securities have on the date of the repurchase agreement a fair market value equal to at least 100 percent of the amount of the repurchase obligation of the Bank, and the securities are held by a third party, and segregated from other securities owned by the Bank.

No security is approved hereunder which matures more than five years after the date of its purchase by the Bank or deposit by the Contractor.

VI.

The Contractor may from time to time withdraw the whole or any portion of the escrowed funds by depositing with the Bank approved securities in an amount equal to, or in excess of, the amount so withdrawn. Any securities so deposited or withdrawn shall be valued at such time of deposit or withdrawal at the lower of par or market value, the latter as determined by the Bank. Any securities so deposited shall thereupon become a part of the escrowed fund.

Upon receipt of a direction signed by the City's Director of Public Works or the City Engineer, the Director of Finance or the City Accountant shall authorize the Bank to pay the principal of the fund, or any specified amount thereof, to the account of the City of Lynchburg. Such payment shall be made in cash as soon as is practicable after receipt of the direction.

Upon receipt of a direction signed by the City's Director of Public Works or the City Engineer, the Director of Finance or the City Accountant shall authorize the Bank to pay and deliver the principal of the fund, or any specified amount thereof, to the Contractor, in cash or in kind, as may be specified by the Contractor. Such payment and delivery shall be made as soon as is practicable after receipt of the direction.

VII.

For its services hereunder the Bank shall be entitled to a reasonable fee in accordance with its published schedule of fees or as may be agreed upon by the Bank and the Contractor. Such fee and any other costs of administration of this Agreement shall be paid from the income earned upon the escrowed fund and, if such income is not sufficient to pay the same, by the Contractor.

VIII.

The net income earned and received upon the principal of the escrowed fund shall be paid over to the Contractor in quarterly or more frequent installments. Until so paid or applied to pay the Bank's fee or any other costs of administration such income shall be deemed a part of the principal of the fund.

IX.

The Surety undertakes no obligation hereby but joins in this Agreement for the sole purpose of acknowledging that its obligations as surety for the Contractor's performance of the Contract are not affected hereby.

WITNESS the following signatures, all as of the day and year first above written.

CITY OF LYNCHBURG

CONTRACTOR: _____

BY: _____
City Manager

BY: _____
Officer, Partner, or Owner (Seal)

ALL PROSPECTIVE FIRMS MUST RESPOND TO THE FOLLOWING

If a limited liability company, limited liability partnership or a limited partnership indicate below:

- Check one: ☐ Limited liability company
- ☐ Limited liability partnership
- ☐ Limited partnership

Have you registered with the State Corporation Commission, to conduct business in Virginia?

☐ Yes ☐ No

Name and address of organizer: _____

List who is authorized to execute contracts: _____

If conducting business under an assumed business name, fill out the following information:

Name of assumed business: _____

Owner's name and address: _____

Registration date: _____ Expires: _____

If conducting business as a sole proprietorship, fill out the following information:

Individual's name liable for all obligations of business:

If you are a sole proprietor using an assumed name, please list below:

Registration date: _____ Expires: _____

Street Improvements - Division A Roadway

Item No.	M&P Section No.	Description	Quantity	Unit	Unit Price	Total
IA-1	01200/1.6	Type I, aggregate stone for shoulder restoration after paving (Aggregate base course)	560	T	\$	\$
IA-2	01200/1.6	Pavement Reinforcing Fabric	250	s.y.	\$	\$
IA-3	01200/1.6	Asphalt Concrete Pavement type SM-9.5 A	5,513	T	\$	\$
IA-4	01200/1.6	Asphalt Concrete Pavement type SM-9.5 D	1,545	T	\$	\$
IA-5	01200/1.6	Asphalt Concrete Pavement type SM-12.5 D	5,730	T	\$	\$
IA-6	01200/1.6	Asphalt Concrete Pavement type BM-25.0	250	T	\$	\$
IA-7	01200/1.6	Pavement profiling (< 750 s.y.)	1,977	s.y.	\$	\$
IA-8	01200/1.6	Pavement profiling (> 750 s.y.)	17,619	s.y.	\$	\$
IA-9	N/A	Adjusting water meter boxes	2	ea.	\$	\$
IA-10	01200/1.6	Installation of manhole adjusting rings (provided by City)	65	ea.	\$	\$
IA-11	01200/1.6	Installation of valve box adjusting rings (provided by City)	20	ea.	\$	\$
IA-12	01200/1.6	Manhole frame & cover replacement (provided by City)	25	ea.	\$	\$
IA-13	01200/1.6	Valve box replacement (provided by City)	25	ea.	\$	\$
			Total Division A			\$

Street Improvements - Division B

Extra Work

Extra Work - In accordance with Section 2.3 of these specifications concerning extra work, the following unit prices will be used to complete monies owed the contractor as described by Payment for "Extra Work" by unit price method. Equipment prices are to include operator, expenses, overhead, special attachments, insurance, taxes and profit. The unit price for manpower shall include all hand tools and portable power tools necessary for the work being performed. Designation of Model in parenthesis represents minimum size required, other models equal to or greater may be substituted at no increase in price.

Item No.	M&P Section No.	Description	Quantity	Unit	Unit Price	Total
IB-1	N/A	Flashing Directional arrow	50	hrs.	\$	\$
IB-2	N/A	Man power (Labor & Supervision)	500	hrs.	\$	\$
IB-3	N/A	Lighted Barrel	150	Ea./day	\$	\$
IB-4	N/A	Type II Barricade	100	Ea./day	\$	\$
IB-5	N/A	Type III Barricade	10	Ea./day	\$	\$
IB-6	N/A	Pilot Truck	50	hrs.	\$	\$
IB-7	N/A	Traffic Cushion Truck	10	hrs.	\$	\$
			Total Division B			\$

Street Improvements - Division C
Trench Patching

Item No.	M&P Section No.	Description	Quantity	Unit	Unit Price	Total
IC-1	01200/1.6	Type A - Trench patch - Asphalt Streets (Arterial & Industrial)	100	s.y.	\$	\$
IC-2	01200/1.6	Type B - Trench patch - Asphalt Streets (Collector)	200	s.y.	\$	\$
IC-3	01200/1.6	Type C - Trench patch - Asphalt Streets (Residential)	300	s.y.	\$	\$
			Total Division C			\$

Total Base Bid- Roadway Construction	
Total Division A	\$
Total Division B	\$
Total Division C	\$
Grand Total	\$

Street Improvements - Supplemental (Additional List Items)

In the overlay of streets, the below list of items may be required beyond the original scope of work.

Item No.	Description	Unit	Unit Price
I-1	Offsite Borrow	c.y.	\$
I-2	Regular Excavation	c.y.	\$
I-3	Unclassified Excavation for widening of pavement	c.y.	\$
I-4	Undercut Excavation	c.y.	\$
I-5	Unclassified Excavation (Pavement Repair or Street Rehab)	c.y.	\$
I-6	Aggregate base stone, 4" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-7	Aggregate. base stone, 7" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-8	Asphalt Concrete Base, Type BM25(A or D), 4" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-9	Asphalt Concrete Base, Type BM25(A or D), 6" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-10	Asphalt Concrete Base, Type BM25(A or D), 8" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-11	Asphalt Concrete Surface, Type 9.5(D), 1 ½" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-12	Asphalt Concrete Surface, Type 12.5(D), 2" compacted layer (Pavement Repair or Street Rehab)	s.y.	\$
I-13	Aggr. Base Course, Type I, size 21 or 21A, 6" compacted layer	s.y.	\$
I-14	Aggr. Base Course, Type I, size 21 or 21A, 4" compacted layer	s.y.	\$
I-15	Foundation Stone, VDOT #1	T	\$
I-16	No. 78 or 8 cover stone	T	\$
I-17	Asphalt concrete curb, type MC-3C	l.f.	\$
I-18	Bit concrete paved flumes, walks etc., 4" thick	s.y.	\$
I-19	Seeding and fine grading for areas < 500 s.y.	s.y.	\$
I-20	Seeding and fine grading for areas >500 s.y.	s.y.	\$
I-21	VDOT EC-2	s.y.	\$

Attachment A: List of Streets and Estimated Quantities - 2004 Summer/Fall Paving List

Street Name	From	To	S.Y. Milling	No. MH	Tons of Superpave	Mix Type	Tons of Shld. Stone	Work Desc. ***
Northwood Cir.	Gorman Dr.	Gorman Dr.	2000	4	581	9.5A	0	B,E
Gorman Dr.	Boonsboro Rd.	Trents Ferry Rd.	1333	3	713	9.5A	0	B,E
Greenview Dr.	Timberlake Rd.	Leesville Rd.	1067	1	2787	12.5D	300	B,E,F
Nottaway St.	N. Princeton Cir.	W. Princeton Cir.	0	1	72	9.5A	0	E
N. Princeton Cir.	Rivermont Ave.	W. Princeton Cir.	2395	4	527	9.5A	0	A,E
Gilliam Ave.	Riverside Dr.	Rolfe Ave.	0	1	77	9.5A	0	E
View St.	N. Princeton Cir.	W. Princeton Cir.	0	1	70	9.5A	0	E
Duval Pl.	W. Princeton Cir.	N. Princeton Cir.	0	2	59	9.5A	0	E
W. Princeton Cir.	Rivermont Ave.	Dead End	887	7	219	9.5A	0	A,E
Columbia Ave.	Rivermont Ave.	Norfolk Ave.	1126	2	238	9.5A	0	A,E
W. Princeton Cir.	Duval Pl.	N. Princeton Cir.	534	2	327	9.5A	0	B,E
Huntingwood Blvd.	Coffee Rd.	City Limits	283	1	88	9.5A	0	A,E
Longwood Dr.	Burnt Bridge Rd.	Shopping Center	1643	7	512	9.5D	0	A,E
Old Graves Mill Rd.	RR Bridge	Robin Dr.	667	2	774	12.5D	24	B,E,F
Hawkins Mill Rd.	City Limits	Coffee Rd.	0	1	620	12.5D	48	E,F
Coffee Rd.	City Limits	Seam near Wildwind Pl.	0	1	310	12.5D	48	E,F
Wiggington Rd.	Bridge @ Burnham Ln.	Seam @ C & G	0	3	1239	12.5D	100	E,F
Dorchester Ct.	Langhorne Rd.	CDS	2816	4	1033	9.5D	0	A,E

Street Name	From	To	S.Y. Milling	No. MH	Tons of Superpave	Mix Type	Tons of Shld. Stone	Work Desc. ***
Montgomery Rd.	Hawthorne Rd.	Woodcrest Dr.	2816	13	826	9.5A	0	A,E
Springvale Dr.	Left of Robin Dr.	Robin Dr.	0	1	417	9.5A	16	E,F
Laxton Rd.	City Limits	Dead End	0	0	800	9.5A	24	F
Rolfe Ave.	Gilliam Ave.	Riverside Dr.	493	1	99	9.5A	0	A,E
Taylor Farm Rd.	Mimosa Dr.	Woodcrest Dr.	1536	3	400	9.5A	0	A,E
TOTAL								

Work Description * :**

- A. Mill 6' Each Side, 0 - 2"
- B. Mill As Needed
- C. Mill Full Width, 1 1/2" Below Gutter
- D. Mill Full Width, 1 1/2"
- E. Replace or Adjust Castings
- F. Shoulder Stone (as needed)
- G. Requires Mt. Athos
Aggregate